



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
DELAWARE STATE BUILDING  
820 N. FRENCH STREET  
WILMINGTON, DELAWARE 19801

DIVISION OF REVENUE  
TAX RULING 83-3

February 9, 1983

Personal Income Tax  
Withholding Exemption Certificates

Tax Ruling 80-4, regarding the withholding exemption certificates (W-4) and the notification requirements by employers to the Division of Revenue in instances when employees file 'exempt' status or claim in excess of 9 allowances on their W-4, is hereby modified to provide for notification to the Division of Revenue when the total number of allowances claimed by the employee exceeds 14, which is also a requirement of the Internal Revenue Service. Tax Ruling 80-4, as modified by this ruling, is printed below.

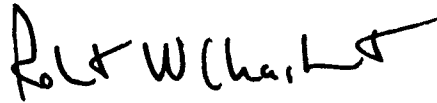
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For purposes of withholding Delaware income tax, employers, in general, are authorized to withhold Delaware income tax on the basis of the number of exemptions claimed in the Federal Form W-4 filed by the employee. Effective with respect to withholding exemption certificates received from employees after December 31, 1982, every employer shall submit to the Division of Revenue a copy of any withholding exemption certificate which is received from an employee during the withholding reporting period if:

- (1) the total number of exemptions claimed for Delaware personal income tax purposes on the certificate exceeds 14, or
- (2) the certificate indicates the employee claims to be exempt from withholding of Delaware income tax and the employer reasonably expects that the employee's wages will exceed \$100 per week.

Copies of certificates required to be submitted under this ruling shall be submitted to the Division of Revenue at the time for filing the employers monthly or quarterly withholding return.

Pending receipt of notice from the Division of Revenue with respect to a copy of any certificate submitted, the employer shall withhold on the basis of the statements in the certificate. If the Division of Revenue finds that the certificate submitted contains materially incorrect statements, or, after seeking verification from the employee, determines that it lacks sufficient information to find that the certificate is correct, and so notifies the employer, then the employer shall consider the certificate defective and shall withhold amounts from the employee as if the employee were a single person claiming no withholding exemptions. The employer shall notify the employee of the action taken by the Division of Revenue, and request the employee to file another withholding exemption certificate.



Robert W. Chasant  
Director of Revenue

25/06/83/10/07



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NOTICE OF CHANGE IN REQUIREMENTS OF MAJOR EMPLOYERS  
TO FILE DELAWARE INCOME TAX WITHHOLDING RETURNS

The purpose of this notice is to give advance information to employers who are subject to the new withholding return filing requirements imposed by House Bill No. 49, 132nd General Assembly, effective as of April 1, 1983.

Recently enacted legislation (House Bill No. 49, 132nd General Assembly) provides that as of April 1, 1983, any employer required to withhold State of Delaware income taxes on wages or other compensation of employees which amount, in the aggregate, exceeds \$5,000 in any month, must file his State withholding tax return and remit the taxes withheld to the Delaware Division of Revenue by the end of the 3rd working day following the close of eight designated monthly deposit or return periods. The designated return periods are identical with those established for Federal income tax withholding purposes, i.e., periods ending on the 3rd, 7th, 11th, 15th, 19th, 22nd, 25th and last day of every month. For example, if total Delaware taxes withheld by the employer on wages paid from the 1st to the 7th day of the month is \$3,000, no payment is required; if the taxes withheld on wages paid from the 7th to the 15th day of the month are \$4,000, the employer must file his Delaware withholding return and pay the entire \$7,000 of taxes withheld to the Division of Revenue not later than the close of the 3rd work day thereafter, i.e., not counting Saturdays, Sundays or legal holidays.

New reporting forms and detailed instructions are in preparation and will be mailed to major employers on or about March 25, 1983.

*Robert W. Chastant*

Robert W. Chastant  
Director of Revenue